

Utah TrendLines Extra

June 1, 2006

Unemployment Rate

April 2006

Utah: 3.5% U.S.: 4.7%

Year-Over Nonfarm Job Growth

April 2006

Utah : 4.2% U.S.: 1.4%

Utah Economic News and Data

Utah's economy continues to add jobs at a rapid clip, but some of the state's key industries are having a hard time finding enough workers. The state added 47,900 new jobs in the year ended April 30 for a growth rate of 4.2 percent, the Utah Department of Workforce Services reported Tuesday. It was enough to keep Utah within the top five states nationwide in terms of employment growth. Utah's strong job growth drove the unemployment rate in April down to 3.5 percent from 4.4 percent a year ago. Approximately 46,200 Utahns were unemployed in April 2006. There were 55,100 Utahns without jobs in April 2005. http://www.sltrib.com/business/ci_3830809

The empty sidewalks and deserted malls of downtown Salt Lake City could soon be a thing of the past, as **\$1.5 billion in business investment** is poured into the city's 10-block central business district over the next five years. Creating a vision for those millions of dollars is what the Salt Lake Chamber hopes to accomplish in the coming months. The chamber launched a business-led effort called "Downtown Rising," designed to map out the future of downtown Salt Lake City. <http://deseretnews.com/dn/view/0,1249,635212028,00.html>

Utahns continued to **build homes at a record pace** in this year's first quarter, fueled by strong demographic growth in the state's home-buying age groups. Across the state, 4,842 single-family building permits were issued in the first three months of 2006, a 9.8-percent increase from 4,409 permits in the first quarter of 2005, according to the University of Utah's Bureau of Economic and Business Research. While single-family home permits continued to show no signs of slowing, permits in the first quarter for multifamily units hit 1,062—down 37.1 percent from 1,689 in last year's first quarter. <http://deseretnews.com/dn/view/0,1249,635204049,00.html>

The **average price of a home sold** by a realtor in Utah climbed to \$243,200 in this year's first quarter, up 17 percent from \$207,242 in the first quarter of 2005, according to a report by the Utah Association of Realtors. Total homes sold statewide in the first quarter increased to 9,812, a 12-percent increase from 8,765 homes sold during the first three months of 2005. <http://deseretnews.com/dn/view/0,1249,635209839,00.html>

Conestoga Wood Specialties, a Pennsylvania-based maker of wood door and cabinet components, said that it will build a **new manufacturing plant in Tooele**, which will create about 180 new jobs over the next three years. The company, which makes components for kitchen and bath cabinet manufacturers, has seven facilities in the

United States. The Tooele factory will be its first in the Western U.S.

<http://deseretnews.com/dn/view/0,1249,635211925,00.html>

The **technology industry is smaller in Utah** than in other tech-based Western states, but the rate of company growth put it in first place in 2004, the Utah Technology Council said. More than 3,700 life science and information technology firms providing nearly 60,000 high-paying jobs were doing business in Utah that year. The number of companies that were established in Utah, or expanded here, was 8.5 percent more than in 2003.

http://www.sltrib.com/business/ci_3808258

Union Pacific Corp., the nation's largest railroad, will hire 5,000 employees this year as it works to meet rising demand for rail shipments and to make up for the expected turnover of half its workforce by 2013. Hiring will take place across the entire UP system, CEO Jim Young said. The system covers the western half of the nation, including Utah, where about 1,700 people work for the Omaha, Neb.-based company.

http://www.sltrib.com/business/ci_3787114

AOL is laying off about 1,300 employees, or 7 percent of its worldwide workforce, and is closing its call center in Jacksonville, Fla. Other cuts will come from call centers in Ogden, Utah, and Tucson, Ariz. <http://www.msnbc.msn.com/id/12702708/>

Nearly 10 years after **St. George** officials first started talking about building a **new airport** to accommodate growing traffic in the region, hopes are high that construction could soon begin. The replacement airport site, located on 1,306 acres about five miles southeast of St. George, could accommodate commercial jets instead of the turbo prop aircraft currently flown by SkyWest. Without the new airport, say local officials, economic development in the area would be stifled.

<http://deseretnews.com/dn/view/0,1249,635208723,00.html>

Impact fees for new construction could increase dramatically in St. George, from 26 percent in some categories to more than 100 percent in others, under a proposal being considered by the city council. The city needs to increase the fees because of the area's phenomenal growth. Washington County is the nation's fifth-fastest-growing county, with a growth rate of 8 percent, according to the U.S. Census Bureau. Development in the city has increased, but the impact fees have not kept pace, so city resources have been stretched thin. <http://deseretnews.com/dn/view/0,1249,635211457,00.html>

Utah Gov. Jon Huntsman Jr. signed SB27 into law, making the much-anticipated \$354-million **Lake Powell Pipeline** an official state project. The pipeline project, with its pumping stations, reservoir and other facilities, would extend roughly 120 miles from Lake Powell to Sand Hollow Reservoir in Washington County. It would bring 70,000 acre feet of water to Washington County, 10,000 acre feet to Kane County, and 20,000 acre feet to Iron County. Funding avenues for the multi-county project have yet to be finalized.

<http://deseretnews.com/dn/view/0,1249,635204971,00.html>

At the end of his first trip to the Wasatch Front, Daniel Ayalon, Israeli ambassador to the United States, formally invited Gov. Jon Huntsman Jr. to lead a political and economic

mission to Jerusalem. Ayalon believes **Israeli and Utah firms** should create joint ventures in the fields of cyberoptics, nanotechnology and bioengineering. He believes the states could work together on water conservation issues as well.

http://www.sltrib.com/utah/ci_3840423

Ten Utah communities will share a \$10-million federal grant to help fund the renovation or construction of facilities for wastewater treatment or drinking water, environmental restoration and surface resource protection. The funding comes through a program written by Utah Republican Sen. Bob Bennett in 2003 to help small communities pay for expensive water and wastewater projects. http://www.sltrib.com/utah/ci_3797041

The ranks of **Utah's uninsured** grew by 1 percent between 2004 and 2005, according to a recently released report from the Utah Department of Health. And although 1 percent may not sound like much, it still represents more than 40,000 people without health insurance.

<http://deseretnews.com/dn/view/0,1249,635204730,00.html>

The Bureau of Land Management (BLM) recently held **Utah's largest government lease auction** on lands for oil and gas exploration. Altogether, the bidders competed for 437,849 acres—the largest such sale the BLM has held in Utah. More than \$54 million was bid for the right to develop the parcels, including administrative costs. It was a record for a BLM lease sale in Utah. Of the total, half goes to the state, which then allocates some money to counties.

<http://deseretnews.com/dn/view/0,1249,635208051,00.html>

For the first time ever, **Utah ski areas** topped 4 million skier days in the 2005-06 season, breaking the previous season's record skier days by 3.8 percent. It was the third consecutive record-breaking year for Utah, according to a report released by Ski Utah. Since the 2002 Olympic Winter Games, the state has seen a 29-percent jump in skier days. This season's estimated total is 4,045,030, but it is still unofficial because not all resorts have closed. <http://deseretnews.com/dn/view/0,1249,635208021,00.html>

The number of **Asian-owned businesses** in Utah grew at double the rate for all businesses in the state between 1997 and 2002, according to a Census Bureau report. Asians owned 2,821 Utah companies in 2002, up 35 percent from 1997. Nationally, Asian owned businesses increased 24 percent, compared with a 10-percent increase in the number of all U.S. businesses. http://www.sltrib.com/business/ci_3830796

Once downtown Salt Lake City's premier business address, **The Walker Center** is now only one of a number of aging buildings struggling to attract and retain tenants. But not for long, if a New York-based real estate investment company has its way. Vectra Management Group vows to return the 94-year-old building at 175 S. Main St. to its former glory. http://www.sltrib.com/business/ci_3839892

The Governor's Office of Economic Development Board is wrestling with how to best serve the needs of **rural Utah**. But a variety of factors and characteristics make any blanket approach to rural economic development troublesome, board members heard during a meeting. The discussion focused on whether the state should encourage more high-paying jobs or jobs with benefits or even the creation of any new jobs at all.

<http://deseretnews.com/dn/view/0,1249,635209566,00.html>

A gift from a developer building luxury homes in Wasatch and Summit counties has created a **600-acre conservation area** in the midst of booming development near Jordanelle Reservoir. The conservation easement, given to the Utah Division of Wildlife Resources by Victory Ranch developers, will protect a 5.3-mile stretch of the Provo River between the town of Woodland and the southeast entrance to Jordanelle.

<http://deseretnews.com/dn/view/0,1249,635211287,00.html>